

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

WORDTECH SYSTEMS, INC., )  
)  
)  
Plaintiff(s), )  
)  
v. )  
)  
SONY COMPUTER ENTERTAINMENT )  
AMERICA, INC., )  
)  
)  
Defendant(s). )  
)  
)  
\_\_\_\_\_ )

No. C09-5591 WHA (BZ)

**SETTLEMENT CONFERENCE  
ORDER - PATENT CASE**

The above matter was referred to me for settlement purposes.

Following an earlier telephonic hearing **Daniel Miller**, President of Wordtech and **Riley Russell**, Senior Vice President and General Counsel of Sony met to discuss a resolution of this dispute. The case has thus far not settled

It is therefore **ORDERED** that a Settlement Conference is scheduled for **Tuesday, May 25, 2010 at 9:00 a.m.**, in Courtroom G, 15th Floor, Federal Building, 450 Golden Gate Avenue, San

1 Francisco, California 94102. Counsel who will try the case  
2 shall appear at the Settlement Conference with the party  
3 principals who met earlier. **Richard Peterson**, counsel for  
4 counter-defendant Quintal shall also attend. The negotiations  
5 will be principally among the party principals in my presence.

6 Each party shall prepare a Settlement Conference  
7 Statement, which must be served on opposing counsel and lodged  
8 (not faxed) with my chambers no later than seven calendar days  
9 prior to the conference. The Statement shall **not** be filed with  
10 the Clerk of the Court. The Statement **may** be submitted on CD-  
11 ROM with hypertext links to exhibits. Otherwise, the portion  
12 of exhibits on which the party relies **shall** be highlighted.  
13 The Settlement Conference Statement shall not exceed ten pages  
14 of text and twenty pages of exhibits and shall include the  
15 following:

- 16 1. A brief statement of the facts of the case.
- 17 2. A brief statement of the claims and defenses  
18 including, but not limited to, statutory or other grounds upon  
19 which the claims are founded.
- 20 3. A summary of any related litigation.
- 21 4. A summary of the proceedings to date and any pending  
22 motions.
- 23 5. An estimate of the cost and time to be expended for  
24 further discovery, pretrial and trial.
- 25 6. The relief sought, including an itemization of  
26 damages.
- 27 7. The parties' position on settlement, including  
28 present demands and offers and a history of past settlement

1 discussions. The Court's time can best be used to assist the  
2 parties in completing their negotiations, not in starting them.  
3 So there is no confusion about the parties' settlement  
4 position, plaintiff must serve a demand in writing no later  
5 than fourteen days before the conference and defendant must  
6 respond in writing no later than eight days before the  
7 conference. The parties are urged to carefully evaluate their  
8 case before taking a settlement position since extreme  
9 positions hinder the settlement process.

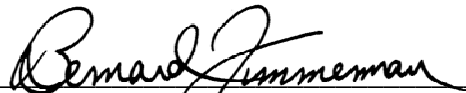
10 Along with the Statement each party shall lodge with the  
11 court a document of no more than three pages containing a  
12 **candid** evaluation of the parties' likelihood of prevailing on  
13 the claims and defenses, and any other information that party  
14 wishes not to share with opposing counsel. The more candid the  
15 parties are, the more productive the conference will be. This  
16 document shall not be served on opposing counsel.

17 It is not unusual for conferences to last three or more  
18 hours. Parties are encouraged to participate and frankly  
19 discuss their case. Statements they make during the conference  
20 will not be admissible at trial in the event the case does not  
21 settle. The parties should be prepared to discuss such issues  
22 as:

- 23 1. Their settlement objectives.
- 24 2. Any impediments to settlement they perceive.
- 25 3. Whether they have enough information to discuss  
26 settlement. If not, what additional information is needed.
- 27 4. The possibility of a creative resolution of the  
28 dispute.

1 The parties shall notify chambers immediately if this case  
2 settles prior to the date set for settlement conference.  
3 Counsel shall provide a copy of this order to each party who  
4 will participate in the conference.

5 Dated: May 6, 2010

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8 Bernard Zimmerman  
United States Magistrate Judge

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